

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

Kenai Kodiak Area September 2010 Timber Sale Prospectus

INTRODUCTION:

This prospectus is intended to furnish sufficient information to enable prospective bidders to decide whether further investigation of the above sales are warranted. Descriptions, estimates and other information within this prospectus are not a part of the contracts unless otherwise stated. Should the prospectus be in error or contradict the contracts, the sample contract governs. Prospective bidders are strongly urged to examine the timber sales and to make their own estimates. Quantities and quality of timber in the contracts are not guaranteed. The sale areas and sample contracts should be reviewed prior to submission of a bid(s).

Acreages, and distances are based on aerial photo interpretation and the use of Geographic Information System data obtained from the Kenai Peninsula Borough. Acreages and road distances were not calculated from field traverse surveys. Attached are the vicinity and sale maps.

LOCATIONS:

North Fork SC- 3187 K	Section 1, Township 5 South, Range 15 West, and Section 31 Township 4 South, Range 14 West, Seward Meridian	Approximately 4.5 miles east of Anchor Point past the end of Lichen Avenue via the North Fork Road
Bluff SC-3180 K	Section 16, Township 5 South, Range 15 West, Seward Meridian	Approximately 3 Miles south of Anchor Point past the end of the Van Seventer Avenue right-of-way, via the Old Sterling Highway
Old Pioneer Lane SC-3182 K	Section 26 Township 4 South Range 15 West Seward Meridian.	North of Anchor Point. Access at the end of Old Pioneer Lane via Cape Ninilchik Avenue
Hillside SC-3049 K	Section 16 Township 2 South Range 14 West Seward Meridian	South of Ninilchik. Past end of Crane Street, via Deep Creek Road.

DESCRIPTION OF TIMBER:

The spruce within the sales was visually estimated to be 75 to 80 percent dead. An estimated 30 to 50 percent of the dead trees in the sales are down. The timber in all of these sales is of a salvage value and not of a defined volume. The State does not expressly or implicitly warrant any quantity, quality, or marketability estimates of the timber sold in any of these timber sales. The State strongly urges prospective bidders to visit the site and evaluate the timber before submitting a bid.

SILVICULTURAL PRESCRIPTION:

The silvicultural prescription selected for spruce in all sales is salvage cut, partial overstory removal with reserves. All dead spruce—standing or down—over eight inches in diameter will be harvested. Live spruce trees over 10 inches in diameter will be harvested. Pockets of advanced regeneration and pole sized green trees will be retained and protected during harvest. Birch may be harvested at the

discretion of the State; details are in the timber sale contracts. Scarification will be required in all of the timber sales. Details regarding the scarification specifications are in the contract for this timber sale.

TOPOGRAPHY AND STAND CONDITIONS: The sales are located on gently rolling to flat terrain. Slopes range from 0 to 15%. All of these timber sales require that access occur when the ground is frozen or in order to prevent degradation of surface waters.

ACCESS:

Logging access into the Bluff, the North Fork and the Hillside Timber Sales will require winter access roads. The Old Pioneer Lane Timber Sale may be accessed year round, but summer access will require a Right-of-Way Permit from the Kenai Peninsula Borough. Proposed road locations will be submitted by the Purchaser in the annual operating plan and approved by the Forester in Charge prior to construction. Access depicted on the attached timber sale maps is conceptual and depicts the shortest easement through public land via roads managed by either the State or the Kenai Peninsula Borough. Alternative access routes into the sale area must be approved by the State. Access into the sales must be reviewed and approved by the State prior to commencement of operations. Purchasers accessing timber sales through private land must obtain written permission from the landowners and provide the state with a copy. Access routes through Kenai Peninsula Borough (KPB) land require permits; formal arrangements secured by the Purchaser with KPB.

Trails and roads will need signs at intersections for both travelers and log truck drivers between the sale areas and the highways to warn them of intersecting traffic flows. All stream crossings must be approved by the Forester in Charge. Winter roads into the sale area and temporary roads on state land will be put to bed upon completion of use in accordance with the Forest Resources and Practices Regulations on road closure (11 AAC 95.320) and the contracts. If necessary, log hauling on ice roads will begin when underlying ground is frozen sufficiently to support equipment. This requires a minimum of 8 inches of snow and 6 inches of frost. All roads will need to be maintained to the standards of 11 AAC 95.285-.335 of the Forest Resources and Practices Regulations.

Access into the Hillside Timber Sale will require a Fish Passage Permit under AS 16.05, which the Purchaser must obtain from the Department of Fish & Game / Habitat Division.

CONTRACT REQUIREMENTS AND STIPULATIONS:

The Purchaser will have 30 days from the receipt of the contract(s) for signing to return it to the Kenai-Kodiak Area Forester, properly signed and notarized. Prior to execution of the timber sale contracts, the Purchaser must meet with the State at the timber sales to discuss the requirements of the timber sale requirements. The sales will require that portions of the timber be harvested each year of the contract period. In addition, the Purchaser must be able to demonstrate the ability to log during each operational period of the contract.

BIDDING:

These sales are SEALED BID, LUMP SUM SALE(s). To qualify for bidding all bidders must, prior to the bid opening, submit a copy of their current Alaska Business License. The business license copy may accompany the sealed bid. Sealed bids, submitted in duplicate, on forms provided by the Division of Forestry, marked on the outside with the timber sale name and number, and addressed to the Kenai-Kodiak Area Office, 42499 Sterling Highway, Soldotna, Alaska 99669, will be accepted until **2:00 P.M. prevailing time, September 20, 2010**. Sealed bids may also be presented in person to the Kenai-Kodiak Area Forester before the bid opening. All bids must be in the physical possession of the Kenai-

Kodiak Area Forester before the bid opening. If a bidder is going to bid on more than one sale, a different sealed bid must be submitted for each sale.

The State reserves the right to reject any or all bids. Unless all bids are rejected, the State will award the sales to the responsible qualified bidder offering the highest total bid amount for sale area

The minimum bid prices, performance bonds, and contact periods are as follows:

Sale Number	Name / Sale Acres	Minimum Bid	Performance Bond	Contract Expiration
North Fork	60	\$900.00	\$2,000	July 31, 2012
Bluff	150	\$2,250.00	\$2,000	July 31, 2015
Old Pioneer Lane	115	\$1,700.00	\$2,000	July 31, 2014
Hillside	37	\$560.00	\$2,000	July 31, 2012

If a tie in the high sealed bid occurs on any sale, the successful bidder will be determined by lot at the time of bid opening. If bidding as an agent for an individual, partnership, or corporation, the agent must submit with the bid a notarized power-of-attorney authorizing such agency. No agent may represent more than one principal, or bid in competition with the agent's principal.

BID GUARANTEE:

A deposit in the amount of 10% of the total bid will be required at the time bids are submitted. Deposits from unsuccessful bidders will be returned at the time the sales are awarded. The deposit furnished by the high bidder whose bid was declared acceptable will be retained as liquidated damages if the bidder does not execute the contract and furnish a satisfactory performance deposit within 30 days of receipt of the contract for execution. The 10% bid deposit shall be in the form of certified check, cashier's check, or money order, or any combination of these. The State will not accept cash for any timber sale payments.

PERFORMANCE DEPOSIT:

The performance deposit shall be in the form of certified check, cashier's check, or money order, a time certificate of deposit or pass book saving account made payable to the STATE and to the PURCHASER, surety bonds, or other arrangements that in the sole discretion of the STATE are determined to be acceptable, or any combination of these, to guarantee contract performance. The bidder shall furnish a satisfactory performance deposit within 30 days of receipt of the contract for execution. The deposit will be maintained throughout the life of the contract.

PAYMENT:

A lump sum payment in full for each sale shall be made at least 15 days prior to the date the Purchaser will commence operations on that sale. Payment shall be submitted by certified mail or in person to the Kenai-Kodiak Area Office of the Alaska Division of Forestry.

RESERVATIONS:

The state reserves the right to waive technical defects in this prospectus and reject any and all high bids. The State reserves the right to award the sale(s) for the amount of the next high bid to the next highest bidder if the Director considers the highest bidder unqualified to fulfill the requirements of the contract, or if the contract is not executed by the highest bidder. The State also reserves the right to waive any informality in the bids received whenever the waiver is in the best interests of the State.

OBTAINING DOCUMENTS:

The following documents are available online at the Division of Forestry website, <http://www.dnr.state.ak.us/forestry/timber/kenaikodiak.htm>:

- Notice of Final Finding and Notice of Timber Sales: Bluff, North Fork, Old Pioneer Lane, Hillside
- Final Finding: Bluff Timber Sale, North Fork Timber Sale
- Sample Timber Sale Contracts: Bluff, North Fork, Old Pioneer Lane, Hillside

Copies of these documents may otherwise be obtained by writing to:

Alaska Division of Forestry

Attn.: John Winters

42499 Sterling Highway

Soldotna, AK 99669,

or by calling John Winters at (907) 260-4212. The information and documents may also be picked up in person by visiting the Kenai-Kodiak Area Office located at Mile 92.5 of the Sterling Highway.